

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1865 - SB 2663

February 6, 2022

SUMMARY OF BILL: Requires a local education agency (LEA) to grant a high school student credit for a course in which the student is not enrolled if the student attains a qualifying score on the course's final exam. Requires an LEA to provide each high school student the opportunity to take a final exam for any course each semester, and if a qualifying score is met, to count the score on the student's overall grade point average. Requires the State Board of Education (SBE) to adopt a grading scale that converts an end-of-course examination score to a letter grade. Establishes certain reporting requirements for LEAs.

FISCAL IMPACT:

Increase State Expenditures – \$136,100/FY22-23 and Subsequent Years

Other Fiscal Impact – Expenditures related to the proposed changes to testing administration do not exceed the annual maximum liability in the contract with NCS Pearson, Inc. Therefore, it is reasonably estimated that DOE's budget will have sufficient funds and will not require an additional budget appropriation to cover the additional expenditures.

Assumptions:

- Currently, all test provisioning is done through the statewide student information system (EIS database), which uses local district student information systems and student course schedules.
- To provide end-of-course (EOC) assessments to students who are not currently enrolled in tested courses, the Department of Education (DOE) will need to develop a new way to provision student tests accurately to specific students.
- Without students being enrolled in courses as a means for provisioning, DOE and LEAs will need to update current processes for student data transfer and test provisioning to include a new set of tests and course enrollment not associated with current instruction.
- The state will need to add a new set of course codes associated with early credit to the course management system and update local student information system packages and data transfer protocols with NCS Pearson, Inc., (the state's assessment vendor) for the provisioning, scoring, and reporting of EOC scores.
- It is assumed that the proposed testing for students not currently enrolled in the course will utilize existing EOC exams and that all EOC exams will be administered online.

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- DOE has planned expenditures through the contract with NCS Pearson, Inc., totaling \$13,250,512 in FY22-23 and \$11,485,230 in FY23-24. The maximum liability under the contract with NCS Pearson, Inc., is \$17,358,420 in FY22-23 and \$17,362,740 in FY23-24.
- The proposed legislation is estimated to increase test assessment administration costs by \$136,095 in FY22-23 and subsequent years.
- The expenditure totals under the proposed changes are below the maximum liability in the contract with NCS Pearson, Inc. and it is reasonably estimated that DOE will have funds within their budget to meet the annual maximum liability allocation in FY22-23 and FY23-24.
- SBE will be able adopt a grading scale that converts an end-of-course examination score to a letter grade during the normal course of business.
- LEAs will be able comply with the testing and grading requirements within existing resources.
- Any fiscal impact to state or local government is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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